THE RELATIONSHIP BETWEEN PSYCHOLOGICAL EMPOWERMENT AND JOB INVOLVEMENT

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ABSTRACT

Job involvement is the psychological identification with one’s job. Studies show that those with high job involvement are inversely related to absenteeism, positively related to organizational citizenship behavior and in-role performance, organizational identification and employee commitment. Meanwhile psychological empowerment is a motivational construct that comprises individual cognitions and perceptions that constitute feelings of behavioral and psychological investment in a work. Empirical research on empowerment suggested that empowering subordinates is also a major component of organizational effectiveness. Knowing the importance of these two variables, therefore, a study has been carried out to examine the relationship between psychological empowerment and job involvement among bank managers in Peninsular Malaysia. A questionnaire survey was conducted and data were analyzed by using Smart PLS 3.0. Results of a survey of 151 bank managers revealed that psychological empowerment is positively related with job involvement.

Keywords: psychological empowerment, job involvement, bank managers, Malaysia, PLS-SEM

INTRODUCTION

The issues on job satisfaction, organizational commitment and job involvement of employees are always a major concern for managers of any organizations. These attitudes are key determinants of the experience of work and are central to understanding and managing organizational behavior. For example, Harrison, Newman and Roth (2006) in their meta-analytic study found that both job satisfaction and organizational commitment term as overall job attitude has considerable importance for understanding behavioral outcomes such as performance, lateness, absenteeism, and turnover. Price and Mueller (1981) also found that job satisfaction to influence intention to stay, which, in turn, predicted turnover. Meanwhile, Keller (1997) and Diefendorff, Brown, Kamin, and Lord (2002) found that job involvement as predictor of job performance. Robbins (2005) further added that job satisfaction, organizational commitment, and job involvement are components of work attitudes that have important implications for organizational behavior. Therefore, in organization, attitudes are important because they affect job behavior.
Many studies have focused on identifying the antecedents and outcomes of work attitudes. Among these researches, quite a few have concentrated on identifying empowerment strategies as predictor to work attitudes or work outcomes (for example Ashness & Lashley, 1995; Bordin & Bartram, 2007; Laschinger, Finegan, Shamian, & Wilk, 2004; Lawson & Luks, 2001; Yoon, 2001). Initially, empirical research on empowerment as mentioned above is based upon the relational conceptualization of empowerment or the organizational level of empowerment. This approach to empowerment aims at reducing the dependencies in carrying out the job by delegating power and authority (Conger & Kanungo, 1988).

Psychological empowerment is empowerment from psychological perspective. It can be viewed as the perception of individuals towards their work and their role in the organization (Conger & Kanungo, 1988). The term empowerment in this case is motivational in nature. The motivational construct of empowerment is about discretion, autonomy, power, and control. Moreover, Thomas and Velthouse (1990) defined empowerment as a motivational construct too but more broadly as increased intrinsic task motivation manifested in a set of four cognitions reflecting an individual’s orientation to his or her work role: meaning, competence, self-determination, and impact. Thus, it is belief that employees who experienced empowerment are more motivated and will be more beneficial to organizations.

Since psychological empowerment is motivational in nature, employees in any organization should experience these feelings. This is further stressed by Porter and Lawler (1968) who suggested that management should provide work environment that motivate effective job performance through intrinsic and extrinsic rewards. Workplace environment such as organizational policies and procedures, relationship with peers, fringe benefits are positively related to job performance. However, extrinsic rewards may not be the most seeking choice at the moment. With the slowdown in economic, plus other things like increase competition to remain competitive in the market place, intrinsic rewards or psychological empowerment should be the right alternative. The workplace empowerment has then been promoted as a general practice for enhancing work performance (Wall, Cordery, & Clegg, 2002). Empowerment programs have been introduced as one organizational variable to improve productivity, increase customer satisfaction and enhance competitive advantage. For example, Keller and Dansereau (1995) in their study of leadership and management suggested that empowering subordinates is a major component of organizational effectiveness. In addition, studies found that empowered employees are related to productivity (Ashness & Lashley, 1995; Liden, Wayne, & Sparrowe, 2000), significantly related to job satisfaction and work stress (Holdsworth & Cartwright, 2003; Spreitzer, Kizilos, & Nason, 1997) and can also influence organizational commitment (Bhatnagar, 2005; Liden et al., 2000; Menon, 2001). Thus, empowerment do play important role in influencing employees’ attitudes and performance in the organization.

LITERATURE REVIEW

Job Involvement (JI)

Years ago Lodahl and Kejner (1965) identified job involvement as an important organizational attitude. It can be considered from two perspectives, organizational and individual. From an organizational perspective, job involvement has been considered the key to increase employee motivation and from individual’s perspective, it has been thought of as key to personal growth and satisfaction, which will lead to goal-directed behavior (Hackman & Lawler, 1971; Lawler & Hall, 1970).

Robinowitz and Hall (1977) concluded that job involvement be described into two perspectives; performance-self-esteem contingency and component of self-image. The first perspective
describes the whole job situation such as work, coworkers, and the company he or she is working with as a very important part of his or her life. Performance at work would very much affect the self-esteem of the individuals. Therefore, higher level of job involvement would mean higher self-esteem derived from work behavior. The second perspective views job involvement as component of self-image. This view is refers to the extent to which the individuals identify psychologically with their jobs. Both definitions are consistent with the definition proposed by Lodahl and Kejner (1965) which relates the importance of work in the workers' total self-image and how performance affects self-esteem.

Job involvement is also a determinant of organizational effectiveness and individual motivation (Hackman and Lawler, 1971). To be more specific, both job involvement and job satisfaction were inversely related to absenteeism, but job involvement was more consistent with absence behavior (Wegge et al., 2007; Cheloha and Farr, 1980). Other study by Gechman and Wiener (1975) showed that job involvement and satisfaction did not correlate consistently with personal time devoted to work and mental health. The results showed that devoting personal time to work-related activities was positively associated with job involvement, but unrelated to job satisfaction. Mental health was positively related to job satisfaction, but did not correlate significantly with job involvement. A meta-analysis by Brown (1996) further concluded that job involvement was unrelated to job performance and mental health. However, these differential relationships support the view that job involvement and job satisfaction are two separate construct and distinct job attitudes (Gary J. Blau, 1985; Brooke, Russell, & Price, 1988; Kanungo, 1982a). A later study by Azeeem (2010) found job involvement to influence burnout.

On the other hand, Keller (1997) in his study on engineers and scientists, found that job involvement was a strong predictor of job performance ratings and counts of patents and publications for scientists than for engineers. In addition to that, job involvement was also a significant predictor of organizational citizenship behavior and in-role performance (Diefendorff et al., 2002; Rottenberry & Moberg, 2007; Paille, 2010), organizational identification (Katrinli, 2009) and employee commitment (Khan et al. 2011). Their findings also mentioned that employees with high level of job involvement are more motivated to go to work and go on time because these employees are attracted by the kind of job they have. Thus, these findings reaffirms that job involvement is a potential determinant of individual performance.

Similar to job satisfaction and organizational commitment, job involvement is also a component of attitudes that affect work related behavior (Khan et al. 2011; Paille, 2010; Diefendorff et al., 2002; Huselid & Day, 1991; T. A. Judge, Bono, & Locke, 2000; Keller, 1997; Gary J. Blau, 1986). Since managers' job in most organizations are trying to influence work related attitudes in order to create behavioral change, therefore it is belief that study on job involvement is very much significant in today's workplace scenario.

**Psychological Empowerment (PE)**

The concept of empowerment has been mentioned and discussed by both management researchers and practitioners. This interest is due to several factors, mostly related to organizational effectiveness. In order to understand how empowerment plays its role in management, some definitions of the concept is introduced. For example, according to Kanter (1977), empowerment results from decentralization, a flattening of the hierarchy, and increased employee participation. Ford and Fottler (1995) stated that empowerment usually means giving employees the autonomy to make decisions about how they go about their daily activities. Therefore empowered employees have a high sense of self-efficacy due to having significant responsibility and authority over their jobs (Thomas & Velthouse, 1990).

Psychological empowerment is a motivational construct that comprises individual cognitions and perceptions that constitute feelings of behavioral and psychological investment in a work
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(Conger & Kanungo, 1988; Spreitzer, 1995, 1996). This would mean when individual experienced empowerment he or she feels the capacity to carry out the work and perform well. A strong sense of personal efficacy is developed and this condition heightened the motivation to accomplish the task given. Therefore, Conger (1989) thinks of empowerment as the act of strengthening an individual’s beliefs in his or her sense of effectiveness. The theory behind these ideas can be traced to the work of Alfred Bandura, who conceptualized the notion of self-efficacy. Based on the theory, it is believes that empowered employees are intrinsically motivated to take personal ownership of their jobs, to exercise self-determination, to satisfy their need for power and to reinforce their personal self-efficacy beliefs (Bandura, 1986).

Thomas and Velthouse (1990) regard empowerment as consisting of four psychological states: meaningfulness, competence, choice, and impact. The first component, meaningfulness, relates to the value of the task, involving intrinsic caring about a given task. The employees' perceptions of how meaningful their tasks are affect their feelings of empowerment. Competence, the second component, refers to the belief that individuals are able to perform the task activities skillfully when they try. The third component, choice, is the degree to which employees feel a causal responsibility for choosing or regulating task actions.

The last component, impact, is the degree to which employees perceive their behaviors as ‘making a difference’ in terms of accomplishing the task. (Thomas and Velthouse, 1990, p 672–673).

Based on the work of Thomas and Velthouse (1990), Spreitzer (1995) defined psychological empowerment as intrinsic task motivation manifested in a set of four cognitions reflecting an individual’s orientation to his or her work role: meaning, competence, impact and self-determination. Meaning is defined as the value of work goal or purpose, based on individual’s own standard. Employees will find meaning in their job when they perceived that the activity they take part and its objectives are compatible with their own value system (Brief & Nord, 1990). Competence is an individual’s belief that he or she has the capability to produce favorable outcome. Self-determination is defined as autonomy in carrying out work behavior or work process. Self-determination also refers to the discretion given to employees to adopt to which types of behavior and actions that they think is best in influencing them in achieving organization’s objectives. According to Deci (1975), self-determination is the expression of choice by the employees as how to perform their task. Finally, Spreitzer (1995) redefined impact as a “degree to which an individual can influence strategic, administrative or operating outcomes at work” (p.1443). Simply said, impact is the perception of the employees whether he or she can affect or influence organization outcome (Ashforth, 1989).

Menon (2001) defined psychological empowerment as a cognitive state characterized by a sense of perceived control, competence, and goal internalization. She introduced a new measure of psychological empowerment. According to her, three main dimensions of the experience of power underlying the empowerment process are: (a) power as perceived control, (b) power as perceived competence, and (c) power as being energized toward achieving value goals. However, the measurement does not receive much attention. Most research on psychological empowerment adopt the measurement developed by Spreitzer (1995), (see also Koberg et al., 1999; Mok & Au-Yeung, 2002; Huang et al., 2006; Bordin, Bartram & Casimir, 2007; Chiang & Jang, 2008). The widely used of the instruments in other settings and across other culture has further strengthened its reliability and validity.

Many studies had been carried out to examine the impact or the outcomes of empowerment (Bhatnagar, 2005; Holdsworth & Cartwright, 2003; Laschinger et al., 2004; Savery & Luks, 2001; Spreitzer et al., 1997). Laschinger et al. (2003) studied burnout among the nurses. The longitudinal design was used to examine the effect of structural empowerment (such as opportunity, information, support, resources and power) on psychological empowerment and
then the effect of psychological empowerment on burnout. Their findings indicated that structural empowerment resulted in increased psychological empowerment at Time 1 and the feelings of psychological empowerment had a negative influence on burnout. In addition, Hochwalder and Brucefors (2005) also believe that psychological empowerment at work may be one of the possible factors that provide protection against ill health.

Psychological empowerment also has an impact on job satisfaction and on job related stress (for example, Laschinger et al., 2004; Holdsworth & Cartwright, 2003; Savery & Luks, 2001; Spreitzer, Kizilos, & Nason, 1997). On the other hand, Bhatnagar (2005) did a study to measure psychological empowerment and organizational commitment among managers in various organizations in India. The result shows that affective commitment is a strong outcome of psychological empowerment, followed by normative commitment, and continuance commitment being the weakest outcome.

**Psychological Empowerment and Job Involvement**

An exploration of the relationships of the individual components of empowerment to organizational outcomes, such as job involvement is still lacking from the empowerment research. Besides job satisfaction and organizational commitment, job involvement is also generally important in predicting performance, especially in the new global economy. Satisfaction has a highly positive effect on intention to stay in a job and a modest effect on actually staying in the job (Scott & Taylor, 1985). High level of satisfaction too has a positive effect on regular attendance at work. Organizational commitment also influences turnover intention, absenteeism and performance of individual (Harrison et al., 2006; Tett & Meyer, 1993). Similar to satisfaction and commitment, job involvement also has important effects on intention to stay in a job (Huselid & Day, 1991), attending job regularly (Gary J. Blau, 1986), job performance and citizenship behavior (Diefendorff et al., 2002; Keller, 1997), motivation and goal-directed behavior in general (Hackman & Lawler 1971; Lawler & Hall, 1970).

A meta-analysis study by Brown (1996), support the conclusion that job involvement is affected by personality variables. Three relationships, work ethic endorsement, internal motivation, and self-esteem were statistically significant. The results shows that people who are high in work ethic, internal motivation, and self-esteem are predisposed to be highly job involved.

Meanwhile the meta-analyses of the relationships between situational variables (such as, skill variety, task identity, feedback, task significance, job challenge, task complexity, and motivating potential) and job involvement generally support the position that job involvement is substantially related to situational influences. These results support the Hackman and Lawler (1971) and Hackman and Oldham (1975) position that enriched jobs stimulate job involvement. The concept of job involvement, its antecedents, and outcomes have been researched extensively by organizational researchers (for example, Gary J. Blau, 1985, 1986; Diefendorff et al., 2002; Kanungo, 1979, 1982a; Keller, 1997; Morrow, 1983; Rabinowitz & Hall, 1977) however, little attention has been devoted to exploring psychological empowerment and job involvement (Chan, 2003). Therefore this study examined the relationship between psychological empowerment and job involvement among managers in Malaysian context. In this study, the attitudinal outcome such as job involvement is the likely consequence of psychological empowerment. Thus, it is hypothesized that it has a positive relationship with job involvement.

**H1:** Managers' perception on psychological empowerment will have a positive effect on job involvement.
METHODOLOGY

Population and Sample size

This study focused on the bank managers throughout Peninsular Malaysia. The population of this study covers all the conventional banks which had gone through the merging and acquisition process. The branch manager and the head of department from the various bank located in Peninsular Malaysia were the respondents for this study. A total of 164 respondents turned up as sample, and 151 usable questionnaires were analyzed.

Instrument Development

The psychological empowerment measures that were used in this study are based from the instruments developed by Spreitzer (1995). The four-factored psychological empowerment construct is operationalized by twelve items. The four factors or dimensions are meaning, competency, self-determination and impact. Meanwhile, job involvement is assessed using the 10-item index developed by Kanungo (1982) to measure the degree to which the individual identifies with his or her present job.

Data Analysis

Data collected was analyzed using Smart PLS 3.0 (Ringle, Wende and Becker, 2015). Since the model consist of first and second order construct, assessing the measurement model included both constructs. The first order construct refers to the relationship between the indicators and its dimensions, while the second order construct refers to the relationship between the dimensions and the latent constructs. In evaluating the measurement model, elements of the model are individually evaluated based on certain quality criteria such as reflective measurement models, formative measurement models and structural model.

FINDINGS

Assessment of the Measurement Model

Confirmatory Factor Analysis (CFA) was done to assess convergent validity and discriminant validity of the instruments. To assess the convergent validity, factor loadings, composite reliability (CR) and the average variance extracted (AVE) were determined. Table I exhibits the convergent validity, which revealed all the item loadings exceeded the recommended value of 0.5 (Hair, Black, Babin, & Anderson, 2010). The loadings range from 0.604 to 0.945 indicates that more than half of the variance in the observed variable is explained by the constructs. Any loadings below 0.5 were deleted, resulting in final AVE and CR above the cutoff value of 0.5 and 0.7 respectively (Figure 1).

The CR values describe the degree to which the construct items represent the latent, which were in the range of 0.841 and 0.952 that exceeded the recommended value of 0.7 (Hair et al., 2010). In addition, the AVE measures “the degree to which a latent construct explains the variance of its items” (Hair, Hult, Ringle, & Sarstedt, 2014, p. 114), which is greater than 0.5. The AVE values of OI and OP contracts are greater than the acceptable threshold of 0.5 which was in the range of 0.578 and 0.868. From Table I, the results prove that all the two construct, OI and OP are valid measures of their respective constructs based on their parameter estimates and statistical significance (Chow & Chan, 2008).
Table 1: Results of Measurement Model

<table>
<thead>
<tr>
<th>First Order Construct</th>
<th>Second Order Construct</th>
<th>Scale type</th>
<th>Items/Dimensions</th>
<th>Loadings</th>
<th>AVE</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Involvement</td>
<td></td>
<td>Reflective</td>
<td>JI2</td>
<td>0.674</td>
<td>0.541</td>
<td>0.875</td>
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<td></td>
<td></td>
<td></td>
<td>JI5</td>
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<td></td>
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<td>JI6</td>
<td>0.843</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>JI7</td>
<td>0.754</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td>JI9</td>
<td>0.660</td>
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<td></td>
<td></td>
<td></td>
<td>JI10</td>
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<td></td>
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<tr>
<td>Meaning</td>
<td>Reflective</td>
<td>PEm1</td>
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<td>0.847</td>
<td>0.943</td>
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<tr>
<td></td>
<td></td>
<td>PEm2</td>
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<td></td>
<td></td>
<td>PEm3</td>
<td>0.936</td>
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<td>Reflective</td>
<td>PEs4d</td>
<td>0.864</td>
<td>0.771</td>
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<tr>
<td></td>
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<td>PEs5d</td>
<td>0.903</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>PEs6d</td>
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<td>Choice</td>
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<td>PEC7</td>
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<td>0.739</td>
<td>0.895</td>
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<td>PEC9</td>
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<td>Impact</td>
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<td></td>
<td></td>
<td>Determination</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Choice</td>
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<td></td>
<td></td>
<td>Impact</td>
<td>0.754</td>
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</tbody>
</table>
Discriminant validity measures “the extent to which a construct is truly distinct from other construct, in terms of how much it correlates with other constructs, as well as how much indicators represent only a single construct” (Hair, Hult et al., 2014). To assess the discriminant validity, the square root of the AVE is calculated which should be greater than each of the construct correlations (Hair, Hult et al., 2014). Table 2 shows that all the square root of the AVE exceeded the correlations with other variable. In sum, the measurement model displayed adequate discriminant validity.

From all the findings, it can be reasoned that the measurement model was acceptable in view of the evidences of adequate reliability, convergent validity and discriminant validity.

| Table 2: Fornell-Lurker Criterion Analysis for Checking Discriminant Validity |
|---------------------------------|---------|---------|---------|---------|---------|
| Choice | Impact | Job Involvement | Meaning | Self Determination |
| Choice | 0.860 |          |         |                |
| Impact | 0.529 | 0.860 |          |                |
| Job Involvement | 0.309 | 0.522 | 0.756 |                |
| Meaning | 0.583 | 0.468 | 0.361 | 0.921 |
| Self determination | 0.546 | 0.428 | 0.274 | 0.479 | 0.878 |

The Establishment of the Second-Order Constructs

As proposed by Hair et al. (2014), one of the key reasons for this study to establish second order construct is to minimize the number of relationships in the model structure. Accordingly, this modeling approach becomes more theoretical parsimony, reduces the complexity of the model so that it is easier to understand as well as to avoid multicollinearity due to multidimensional model structures (Hair, Sarstedt, Hopkins, & Kuppelwieser, 2014; Ringle, Sarstedt, & Straub, 2012). In this study, organizational performance and organizational innovation are conceptualized as a second-order construct.

Hypothesis Testing

Structural model assessment was performed to test the developed hypotheses relationships. The results from the output of the bootstrapping PLS-SEM confirmed that there is a positive significant relationships between transformational leadership and psychological empowerment ($\beta = 0.46, t = 7.626, p<0.01$), as shown in Table 1. Therefore, the hypothesis is supported.

| Table 3: Path Coefficients and Hypothesis Testing |
|---------------------------------|---------|---------|---------|---------|---------|
| Hypothesis | Relationship | Beta | SE | T Statistic | Decision |
| H1 | PE-JI | 0.46 | 0.06 | 7.626 | Supported |

CONCLUSION AND DISCUSSION

This result is consistent with Ooi et al. (2007), where they found that how employees perceived their psychological empowerment affects their job involvement. Employees with high level of psychological empowerment perceive that their job as very meaningful (value of work goal), believe they are competent (self-efficacy), self-determined (having choices and autonomy), and
able to make an impact or make a difference (influence on works outcome) in performing their
(2012) found only meaning to be significantly effects job involvement. In other words, those
with high level of psychological empowerment would experience high level of internal
motivation. Therefore, the finding indicates that employees who are psychologically empowered
tend to psychologically identified with their job or being actively attached with their job.

The present study’s finding also implies that employees who are psychologically empowered are
motivated to perform their tasks and having a strong sense of feeling towards the attachment
with their job. Job involvement is considered to be attitudinal outcome of intrinsic motivation,
and thus, was hypothesized as positively related to psychological empowerment. Employees are
motivated intrinsically when organization eliminates constraints that contributes to their
feeling of powerlessness or helplessness

REFERENCES


